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INTER-OFFICE CORRESPONDENCE

Richmond, Virginia

CONFIDENTIAL

To: Distribution

Date: December 21, 1988

From: N. U. Machich

Subject: Departmental Operating Expenses - November 1988

R&D's Operating Expenses through November 1988 were:

<u>Contributions/Special Projects/Science & Technology Consultants/FML/ Depreciation Excluded</u>		<u>Contributions/Special Projects/Science & Technology Consultants/FML/ Depreciation Included</u>	
Actual	\$51,093,008		\$76,114,085
Budget	<u>53,250,100</u>		<u>\$77,569,016</u>
	\$ 2,157,092		\$ 1,454,931

The Department's Operating Expenses including Contributions, Special Projects, Science and Technology Consultants, FML and Depreciation through November 1988, were \$1,454,931 (2%) favorable when compared to the 1988 Third Revised Budget, and \$2,157,092 (4%) favorable excluding Contributions, Special Projects, Science and Technology Consultants, FML and Depreciation.

The Operating Supplies - Tobacco/ODM account was \$188,603 favorable due to the sale of some Green River tobacco.

The Experimental Design account was \$113,425 favorable and the Experimental Materials account was \$40,020 unfavorable both primarily due to the timing of projects.

The Purchased Services account was \$135,312 favorable due to Filter Materials Limited expenses being lower than forecasted.

The Special Projects account was \$507,116 unfavorable due to a research grant to the Meyer Friedman Institute.

The Publications account was \$91,246 unfavorable due to the timing of expenditures.

The Professional Services account was \$191,066 favorable primarily due to the final payment on the Sepracor contract being withheld until the report is received.

If you have any questions or need more information, please feel free to contact me.

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